

ARTICLE 16  
SECTION 2  

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OVERPAYMENTS

1. GENERAL

The purpose of this section is to provide instructions for identifying and computing potential overpayments; and procedures for referral of potential overpayments to the California Department of Health Services (CDHS) Investigations Branch.

2. ET RESPONSIBILITIES

The ET is responsible for identifying all potential overpayments, evaluating whether a referral to CDHS for action is required and, when needed, completing all computations and forms for the CDHS referral as described in this section.

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All Medi-Cal potential overpayments must be evaluated and processed by district worker's except for the following IEVS related potential overpayments which will be processed by OSU:

- A. Earnings Clearance
- B. Recipient system Annual Asset Match
- C. PVS abstracts printed 30 days after case negative action date
- D. Recipient system New Hire Registry Match.

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All other IEVS or non IEVS related overpayments will be processed by the current ET or the last ET of record.

3. POTENTIAL OVERPAYMENTS

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A. Definition - General

A potential overpayment has occurred if:

- 1) A beneficiary has property in excess of property limits for an entire month, or
- 2) A beneficiary or key person, within his/her competence, has provided incorrect oral or written information, or failed to report (or report within 10 days) any change in information, and those facts or changes affect eligibility or result in an increased share-of-cost.
- 3) A beneficiary has other health coverage of a type not subject to post-service reimbursement, and the beneficiary willfully fails to report the coverage.

B. Administrative Error

A potential overpayment has not occurred when ineligibility or understated share-of-cost has occurred due to administrative error.

C. Reported Changes

A potential overpayment has not occurred when ineligibility or understated share-of-cost has occurred because the change was reported within 10 days of occurrence, but the change could not be made for the next month due to 10-day notice requirements.

D. Late Reporting

If a beneficiary reports a change affecting eligibility or share-of-cost more than 10 days after the date the change occurred, and the ET has time to send a 10-day notice, an overpayment has not occurred.

If the change is reported too late to send a 10-day notice, the ET should advise the beneficiary that a potential overpayment will occur and request a waiver of 10-day notice. If the beneficiary refuses, a potential overpayment exists.

E. Beneficiary/Key Person Competency and Knowledge

1) Reporting Responsibilities

Any person who has received a Medi-Cal Responsibilities Checklist, Form MC 219, has had the information explained to him/her and has signed the form, is considered to be informed of his/her reporting responsibilities. If, for any reason, the beneficiary or key person has never been informed of his/her reporting responsibilities, a potential overpayment has not occurred.

2) Beneficiary Incompetent/No Key Person

If the ET completed the Statement of Facts under diligent search procedures, and additional information is later discovered which would have affected eligibility or share-of-cost, a potential overpayment has not occurred.

If the applicant/beneficiary was competent, but in the ET's judgment became incompetent either temporarily or indefinitely during the period a change should have been reported, no potential overpayment has occurred. If competency is questionable, the ET must treat the ineligible or understated share-of-cost determination as a potential overpayment.

3) Key Person

If a key person had no knowledge of an undisclosed resource, income source, or other factor affecting eligibility, a potential overpayment has not occurred.

4. CRITERIA FOR REFERRAL TO CDHS

A. A referral to CDHS for collection and/or investigation is required whenever a potential overpayment has occurred and the amount of the potential overpayment equals or exceeds \$100.00, and:

1) The total Medi-Cal usage is over \$100 for the months of potential ineligibility. Medi-Cal usage information is available for OSU staff only on the IEVS-FTB Asset Match Abstract (see Article 16, Section 1). (Usage information is not always available and not required to initiate an overpayment referral to CDHS Investigations), or

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2) The beneficiary was enrolled in a managed care plan. Managed care capitation rates are to be treated as a covered service. Potential overpayments referred to CDHS Investigations will be reviewed to determine the amount, if any, Medi-Cal has paid in capitation rates on behalf of the beneficiary. The capitation rate will be included in the actual overpayment if it is determined an overpayment exists.

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B. Counties will not be required to determine if fraud is involved in an overpayment case. The determination of fraud will be the responsibility of CDHS Recovery or Investigations Branch. Counties are only required to make the appropriate referrals.

Potential Overpayments - (Excess Property, Ineligibility and Wage/Earning-Based)

1) Potential Overpayments - \$1 to \$99

No referral is required.

2) Potential Overpayments - \$100 or More

All potential overpayments of \$100 or more will be referred to:

Department of Health Services, Investigations  
110 West A Street, 7th Floor  
San Diego, CA 92101  
ATTN: Full Field Unit

C. Overpayment Documentation

If a potential overpayment has occurred but the CDHS referral criteria are not met, the ET must document this fact in the case file.

5. COMPUTATION OF OVERPAYMENT

A. Potential Overpayment Period

When an applicant fails to report information or reports incorrect information, the potential overpayment period begins the month eligibility was granted. If the application was completed by another person on behalf of the applicant, see 3.E., above.

When the beneficiary fails to report a change within 10 days of the occurrence, the overpayment period begins the month the change could have been effective. To establish the potential overpayment period:

- 1) Exclude the month the change occurred.
- 2) Count from the day the change occurred through the end of that month to establish whether a 10-day notice of action (NOA) could have been given. Do not count a 10-day beneficiary reporting period.
- 3) Exclude the following month, if a 10-day NOA could not have been given.

**B. Examples - Overpayment Period**

- 1) Mr. R returned to work on June 21, but failed to notify the County until October.

No potential overpayment exists for June, since timely notice could not have been issued. In addition, no overpayment exists for July, since a NOA must be issued 10 days before the effective date, excluding the mailing date. A potential overpayment exists for August and September.

- 2) Same situation as in Example 1, except Mrs. B started working on June 15. No potential overpayment exists for June. A potential overpayment does exist for July since a timely NOA could have been issued.

- 3) Mr. A provides incorrect information on the Statement of Facts, indicating that he receives wages every two weeks. He provides pay stubs for every other week showing only gross wages, deductions, and net wages. Later, the ET discovers Mr. A was actually paid weekly.

A potential overpayment exists for the entire period, since the incorrect information was used to determine the initial SOC.

- 4) Same situation as Example 3, but Mrs. S provided wage stubs which, in addition to gross and net wages and deductions, included the pay period, number of hours worked and year-to-date earnings. The ET should have known, based on this information, that Mrs. S provided conflicting or inconsistent information, and should have required clarification. Mrs. S deliberately did not report accurately and completely, and may have received benefits to which she was not entitled. Therefore, a potential overpayment exists for the entire period. In addition, the ongoing SOC should be recomputed and the SOC increased after timely notice, if appropriate.

- 5) Same situation as Example 3, except Mrs. P had been receiving Medi-Cal for several months, reported a return to work, but provided incorrect information on how frequently she was paid.

The potential overpayment period would be established following the rules given in Example 1. If timely action could not have been taken in the month the change occurred in time to be effective the following month, no potential overpayment exists for these two months.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
	Start			Report				IFD	
	Work	2/20		Wrong	5/5			Report	9/15
				Info					
Potential									
Overpayment?	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes

- 6) Mrs. W, who is a widow with one child, receives a County pension. The agency has made a miscalculation in the amount Mrs. W was entitled to receive, and paid her the outstanding balance in a lump sum. Her pension was increased accordingly. She reported the lump sum and the increase two months later. No overpayment exists for the lump sum amount, unless this payment put Mrs. W over the property limit for a month in which timely notice could have been given. Lump sum payments of this type are treated as property in the month received, not income. The increase in monthly income would have caused a potential overpayment for the period of time between when timely notice could have been given and the SOC was actually increased.

- 7) Mr. T, who has been receiving Medi-Cal for the past several years, received a \$20,000 insurance settlement on July 15, but failed to inform the County.

No SOC overpayment exists. Although the insurance settlement is considered unearned income, it cannot be used in determining ongoing SOC in a continuing case unless the county is informed of anticipated income in time to issue timely notice. However, the insurance settlement would be treated as property in August. The ET would need to establish whether the insurance settlement was spent down before the end of August. If Mr. T's total resources were brought within property limits by August 31.

- 8) Mr. V applied for, and was granted, Medi-Cal eligibility in June 1985. Small checking and savings accounts were disclosed. The IEVS Asset Match shows the beneficiary received interest income from a bank and dividends from Pacific Gas and Electric (PG&E) stocks. The ET establishes that Mr. V did own and still owns these resources, which put him over the property limit.

The potential overpayment period begins in June 1985, the month eligibility was established, and continues to the current month. The actual overpayment period is based on the amount the assets were in excess of the property limit compared to the amount the state paid for Medi-Cal services.

- 9) Mrs. E began receiving Medi-Cal in March 1984. In June 1985, she inherited stocks, which she failed to report. The Asset Match disclosed these stocks, which Mrs. E still owns. These stocks, together with her other nonexempt resources, put

Mrs. E over the property limit depending on when a timely NOA could have been issued, and continues as long as the nonexempt property exceeds the property limit.

- 10) Mrs. G informs her ET at the annual redetermination interview that her daughter left home six months ago. There are no other children in the home, and Mrs. G has no other basis of linkage.

The ET must establish as closely as possible the month and day that Mrs. G's daughter left the home. The potential overpayment period begins the month following the month timely notice could have been given.

#### C. Calculations of Overpayment Amount

Once the potential overpayment period is established, as explained in B., the ET must compute the potential overpayment amount for each month. If the potential overpayment amount for the entire period will obviously be under \$100, this fact should be noted in the case. No further action on the prior period is needed.

##### 1) Income Based Potential Overpayments

The potential overpayment is determined by computing the correct SOC for each month in the potential overpayment period. Income will be apportioned, estimated, or exempted, if appropriate, following the same method of determining income and SOC which would have been used had the beneficiary reported correctly and/or timely.

##### 2) Examples of Income Based Overpayment

- a) Mr. R and his two children receive AFDC linked Medi-Cal due to the absence of Mrs. R. Mr. R started a job on June 20 and reported the job and earnings in early September. Verifications he sent in show that Mr. R is paid \$375 biweekly at his new job and the income is non-fluctuating. He also reports that his last UIB payment was received in July. The ET must calculate the amount of Mr. R's earnings by multiplying \$375 by 2.167 and allowing work-related expenses and child care (if declared and verified). The ET must then calculate the total income to Mr. R's MFBU for August and September deleting the UIB income. The difference between the recomputed share-of-cost and the previous share-of-cost is the amount of potential overpayment.
- b) Mr. and Mrs. Q and their two children receive AFDC-linked Medi-Cal bases on Mr. Q's incapacity. They all receive Social Security benefits and a private pension from Mr. Q's former employer. Mrs. Q goes to work on September 7th and calls her ET to report her employment on October 28th. During the telephone call, the ET determines that Mrs. Q works as a telephone solicitor and earns a base salary of \$3.50 per hour plus commissions. Mrs. Q reports that she is paid weekly and her first paycheck was received on September 18.

When asked, Mrs. Q replies that she expected to receive about \$40 per week in average commissions when she took the job, though she hasn't made that average yet.

The ET must calculate Mrs. Q's gross earnings at \$3.50 per hour plus \$40 per week for October and November, and recompute the share-of-cost for those months for purposes of determining the amount of potential overpayment.

### 3) Resource Based Overpayments

Although beneficiaries are technically ineligible for any Medi-Cal benefits they received during any prior period that their resources exceeded property limits, these cases are treated as overpayments rather than as totally ineligible. The overpayment amount is based on the amount the resource exceeds the property limit or the amount the state paid for Medi-Cal benefits, whichever is less.

When the same resource, for example, CDs has exceeded the resource limit for a period of months, the amount of the potential overpayment is based upon the excess resource amount for the one month in a period of consecutive months in which the excess resource was the highest, rather than the cumulative total for each month. The potential overpayment is determined by:

- a) Computing the lowest excess balance in each month.
- b) Selecting the one highest excess balance from this period of months. This amount is reported as the potential resource overpayment.

When there are a number of accounts, compute the balance for each account in the same manner and add up the totals, taking care not to count any resource twice. For example, if money in a savings account is later converted to a CD, count this as a single resource.

### 4) Examples of Resource Based Overpayments

- a) On September 15, Mr. T applies for Medi-Cal. He is an aged widower receiving Social Security benefits and a private pension. He declares a checking account with a \$500 balance, excluding current income, \$100 cash on hand from current income, and one car which he uses for transportation. On September 18, Mr. T provides verifications of his income and declared resources, and the ET grants Medi-Cal effective September. On September 23, the ET receives an IEVS FTB asset match which shows that Mr. T receives interest on a savings account. On September 30, the ET receives a completed Resource Questionnaire, and copies of Mr. T's savings account statement for the period from June 20 through September 20. The statement shows that Mr. T's lowest balance in September was \$3,500. The ET contacts Mr. T that day and learns that Mr. T withdrew \$435 on September 22, and used that money and \$100 from his checking account to

buy a new bed. Mr. T states that he plans no other expenditures during the rest of September or October except for food, rent, and utilities which he will pay for from his available cash and October income.

Upon verification of the property reduction, Mr. T's excess property for September and October is computed as follows:

Savings	\$3,065	
Checking	<u>+ 500</u>	
Total	\$3,565	
Property Limit	<u>-2,000</u>	
	\$1,565	Excess Property

- b) Mrs. A and her daughter receive Medi-Cal. The only income to the family is \$700 per month in Social Security payments. At annual redetermination in April, Mrs. A discloses that she won \$5,000 in the lottery in November and put the amount in her checking account. Mrs. A states that she spent most of the money by the end of February on some new furniture and clothing. Mrs. A provides copies of her bank statement for November through February and for April and cancelled checks for her expenditures. Review of the bank statements shows the following:

	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>
Lowest Balance	\$4,800	\$3,900	\$3,800	\$3,000
Less Income Deposits	\$ 700	\$ 700	\$ 700	\$ 700
Less Property Limit	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$3,000</u>
Excess Balance	\$ 0	\$ 200	\$ 100	\$ 0

Since Mrs. A's property was brought within the limits by February 28, no overpayment exists for that month. The potential overpayment for December and January is \$200.00 since that amount is the highest excess balance.

5) Potential vs. Actual Amount

The actual amount of the overpayment is unknown until the actual amount of Medi-Cal benefits used is determined. The benefit usage is determined by CDHS.

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6. PROCEDURES FOR REFERRAL TO CDHS

Once the ET determines that a potential overpayment meets the criteria for referral to CDHS, and the period and amount of the overpayment has been computed, the overpayment must be referred to CDHS Investigations for collection and/or investigation and criminal prosecution.

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For both Resources/Assets and Wages/Earnings potential overpayments, the referral package to CDHS shall include:

Required forms for referral packet - One copy of each unless indicated.

A. MC 609 (one copy) Confidential Medi-Cal Complaint form (see Appendix A for example and completion instructions).

B. MC 224 (10/99) A/B Medi-Cal Potential Overpayment Worksheet - Income/Property (See Appendices B and C for examples and completion instructions).

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Note: If the County is unable to establish an overpayment period or potential overpayment amount, complete the MC 224 A/B with all available information.

C. MC 224 A-S/B-S (10/99) Supplemental Medi-Cal Potential Overpayment Reporting Worksheet - Income/Property (see Appendices D and E for examples).

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D. MC 210, or JA2 - Statement of Facts - Include all MC 210s or JA2s covering the potential overpayment period.

E. MC 219 Medi-Cal Responsibility Checklist - Include all MC 219s covering the potential overpayment period.

F. IEVS Abstract - Assets/Earnings clearance.

G. 16-19 DSS - Resource Verification Questionnaire.

H. Bank Records - Copies of all statements provided by client.

I. Earnings Statements - Copies of all relevant documents.

J. Case Narrative - Copy of all pages relative to potential overpayment period.

7. CDHS INVESTIGATIONS SECTION ACTIONS

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CDHS Investigations Section staff will take the following actions on cases referred by the County:

A. Obtain Claim Detail Reports (CDRs) from the Medi-Cal fiscal intermediary to establish whether amount of Medi-Cal benefits the state paid for during the potential overpayment period.

- B. When the state paid for services, obtain asset/wage information from the financial institution/employer if the County was unable to obtain this information from the Medi-Cal beneficiary.
- C. Contact the County to discuss the case, if necessary. If the County was previously unable to establish the overpayment period or the potential overpayment amount, provide the asset/wage information to the County ET to process. Investigations staff will return the original Form MC 224A or B for the ET to complete at this time.
- D. CDHS Investigations will send or deliver the demand letter to the client. A copy of the letter with the report and computation will be forwarded to the Recovery Section.
- E. Refer to the Recovery Section, Overpayments Unit for recovery action if the overpayment amount is below specified levels or the circumstances do not justify a fraud prosecution.
- F. In cases of suspected fraud:
  - 1) If CDHS Investigations determines fraud exists in any referral received from the County, the case will be referred to the appropriate Investigations Branch field office for action. The County will be notified of the case status. (For IEVS referrals, CDHS Recovery Branch will notify the County if a collection case is not established.)
  - 2) If the Investigations field office determines fraud does not exist in any referral received from the County, the case will be forwarded to CDHS Recovery Branch. The County will be notified of the case status.
- G. Refer to Bureau of Medi-Cal Fraud, Department of Justice, or the County District Attorney if a criminal complaint is to be filed.
- H. Notify the County of the actions in A. through G., above, by use of a "Complaint Status Notice" (see Appendix E).

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#### 8. DOCUMENTATION

All ET decisions regarding potential overpayment actions must be documented in the case file. Such documentation must include decisions that a potential overpayment was evaluated and referred to CDHS, or if not, why not, and any other narrative entries which are not apparent with information or documents filed under the overpayment tab in the case financial folder.

If a potential overpayment evaluation is made as a result of IEVS data, and the decision is a simple one, the documentation should be made on the IEVS abstract.

APPENDIX 16-2-A1  
FORM MC-609

State of California - Health and Welfare Agency

Department of Health Services

CONFIDENTIAL MEDI-CAL COMPLAINT FORM

IEVS ☐

<b>FOR D.H.S. STAFF ONLY</b>	<b>FOR COUNTY STAFF ONLY</b>
P.I. NO.: _____	CASE NO.: _____
CASE NO.: _____	E.W. NAME.: _____
	PHONE NO.: (     ) _____

Name of Person Reporting Complaint		Phone No.	
Address	City	Zip Code	
Medi-Cal Beneficiary Name		DOB	Social Security No.
Address	City	Zip Code	Phone No.
Provider Name			Provider No.
Address	City	Zip Code	Phone No.

Violation: \_\_\_\_\_ Type Code: \_\_\_\_\_

Details of Complaint:

Complaint Taken By	Date
Address	Phone No.

FOR D.H.S. STAFF USE ONLY

Supporting Documents/Date	Action Taken/Date
<input type="checkbox"/> MEDS _____	<input type="checkbox"/> P.I. CLOSED: _____
<input type="checkbox"/> CDR _____	<input type="checkbox"/> P.I. REFERRED TO: _____
<input type="checkbox"/> CLETS _____	<input type="checkbox"/> CASE OPENED: _____
<input type="checkbox"/> OTHER _____	ASSIGNED TO: _____
	SUPERVISOR: _____

MC-609 (3/90)

APPENDIX 16-2-A2  
FORM MC-609

INSTRUCTIONS  
CONFIDENTIAL MEDI-CAL COMPLAINT  
FORM MC-609 (3/90)

1. Check the appropriate box to indicate whether or not this referral is related to the IEVS system.
2. Check the appropriate box to indicate whether the case is active or closed and enter the date that the case became active or the date that the case closed.
3. Check to indicate that this referral is a complaint against a Medi-Cal recipient.
4. Enter the recipient's full 14-digit Medi-Cal number:  
  
2 digit County I.D. number  
2 digit aid type  
7 digit serial number  
A one digit MFBU number (use the second digit of the County MFBU)  
A 2 digit person number
5. Enter the recipient's name.
6. Enter the recipient's Social Security number.
7. Enter the recipient's date of birth.
8. Enter the recipient's address and telephone number.
9. Enter "San Diego County Department of Social Services" and the Benefit Analyst's worker number.
10. Enter the office address and telephone number of the Benefit Analyst.
11. Enter in this field:  
  
A brief description of the reason for the referral.  
  
The names, Social Security numbers, dates of birth, and 14-digit case number of the other members of the MFBU.  
  
Note: If space is lacking, you may include a copy of the 278 LMB from the case file and annotate on the MC-609 "Others in the case: refer to the 278 LMB enclosed."  
  
The period during which the case was or has been active.  
  
The total amount of the Potential Overpayment.  
  
The date that this referral is being made.

APPENDIX 16-2-B1  
FORM MC 224 A

State of California - Health and Human Services Agency

Department of Health Services

**MEDI-CAL POTENTIAL OVERPAYMENT REPORTING WORK SHEET  
INCOME OR OTHER HEALTH COVERAGE**

**Section I - Case Information**

County ID _____	<input type="checkbox"/> IEVS <input type="checkbox"/> Non-IEVS	Case status effective date(s) Active _____ / _____ / _____ Closed _____ / _____ / _____
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**RECIPIENTS INCLUDED IN POTENTIAL OVERPAYMENT (MFBU)**

Name	Date of Birth	Social Security Number	Medi-Cal Eligibility Date	
			From	To

If additional space is needed, use the MC 224 A-S (Supplemental) and attach.

**Section II - Possession of Other Health Coverage**

Does recipient have other health coverage? ☐ Yes (check only if not reported) ☐ No  
 If yes, complete DHS 6155 and send separately to: Department of Health Services, Third Party Liability Branch, Health Insurance Section.

Is there also an income-related overpayment? ☐ Yes (complete Section III) ☐ No (go to Section IV)

**Section III - Income Overpayment Computation**

The share-of-cost should have increased for the period(s) \_\_\_\_\_  
 because \_\_\_\_\_

and the county was not informed: (check all that apply)

☐ on the statement of facts ☐ within 10 days of change stated above ☐ On the status report

The overpayment is computed as follows: (County completes boxes 1-6.) (DHS Investigations Branch completes boxes 7 and 8.)

For additional months of overpayment computations, use the MC 224 A-S (Supplemental) and attach.

1	2	3	4	5	6	7	8
Month/Year	Correct Net Income	Correct Maintenance Need	Correct Share-of-Cost (2-3)	Original Share-of-Cost Met	Potential Overpayment (4-5)	Amount Paid by Medi-Cal	Overpayment (Lower of 6 or 7)
	\$	\$	\$	\$	\$	\$	\$

**Section IV - County Worker Comments** (If additional space is needed, attach a separate sheet of paper.)

**Section V - County Worker Completing Form**

Name (print) _____	County _____		
Signature _____	Date _____	EW number _____	Telephone number (     ) _____

White - DHS Investigations  
MC 224 A (10/99)

Yellow - DHS Investigations

Pink - County

## APPENDIX 16-2-B2

### GENERAL INSTRUCTIONS FOR COMPLETING FORM MC 224A

If the potential overpayment for the entire period is less than \$100, do not complete this form. The MC 224A is completed in part by the county and in part by DHS Investigations Office.

#### Section 1 (Completed by the County)

<b>County ID</b>	Enter the MFBU/MBU case number.
<b>IEVS/Non-IEVS</b>	Check the IEVS box if potential overpayment is due to IEVS or the Non-IEVS box if due to other means.
<b>Case Status</b>	Active-effective date/closed effective date; indicate when the case was opened and/or closed.
<b>Recipients Included in the Potential Overpayment MFBU</b>	Enter name, date of birth, and Social Security number of each MFBU member in potential overpayment and the beginning and ending dates of their Medi-Cal eligibility.

#### Section II - Possession of Other Health Coverage

Complete this section if the potential overpayment due is to a change in other health coverage. **Note: If there is NO income-related potential overpayment, do not complete Section III. Complete Sections IV and V, and send these cases directly to Third Party Liability Branch, Health Insurance Section (see address in Article 16 H-7).**

#### Section III - Income Overpayment Computation (County Completes Columns 1-6)

Enter the dates of the potential overpayment period and brief reason why the SOC should have increased. Check whether the person:

- A. Failed to report the information on the statement of facts at the time of application, **or**
- B. If already on Medi-Cal, failed to report within 10 days a change that would impact the SOC, **or**
- C. Failed to report the correct income on the status report.

If different reasons apply to different periods, link each reason to its respective period.

<b>Column 1</b>	List in chronological order the consecutive months in which there was a potential overpayment. Use MC 224 A (Supplemental) if more space is needed.
<b>Column 2</b>	Enter the correct net income for each of the months listed in which there was a potential overpayment.
<b>Column 3</b>	Enter the correct maintenance need for each of the months listed in Column 1.
<b>Column 4</b>	Subtract the amount in Column 3 from the amount in Column 2. The remainder is the correct SOC to be entered in this column.
<b>Column 5</b>	Enter the original SOC the beneficiary met (paid or obligated) in each of the months listed in Column 1. This is needed to determine the difference between the original SOC and the newly calculated SOC.
<b>Column 6</b>	For each month in the overpayment period, subtract the amount in Column 5 from the amount in Column 4; this amount is the potential overpayment for that month which must be entered in this column.
<b>Columns 7 and 8</b>	DHS Investigations Office will complete.

#### Section IV - County Worker Comments

Include county worker comments pertaining to the Medi-Cal potential overpayment.

#### Section V - County Worker Completing the Form

Print your name, county name, EW number, telephone number, and date. Sign the form.

MC 224A (10/99)

## APPENDIX 16-2-C1

## FORM MC 224 B

State of California - Health and Human Services Agency

Department of Health Services

# MEDI-CAL POTENTIAL OVERPAYMENT REPORTING WORK SHEET - PROPERTY TOTAL INELIGIBILITY OR INELIGIBILITY FOR A SPECIFIC LEVEL OF SERVICES

**Section I (County complete for all ineligibility.)**

County ID	<input type="checkbox"/> IEVS	Case status effective date(s)
	<input type="checkbox"/> Non-IEVS	Active _____ / _____ / _____ Closed _____ / _____ / _____

**RECIPIENTS INCLUDED IN POTENTIAL OVERPAYMENT (MFBU)**

Name	Date of Birth	Social Security Number	Medi-Cal Eligibility Date	
			From	To

If additional space is needed, use the MC 224 B-S (Supplemental).

**Section II (County complete for all potential ineligibility.)**
 Recipient was potentially ineligible for Medi-Cal from \_\_\_\_\_ to \_\_\_\_\_ because:  
 (month/year) (month/year)

- ☐ A. Property was above the allowable property limit.
- ☐ B. Recipient should have been ineligible for nursing facility level of care from \_\_\_\_\_ to \_\_\_\_\_ due to a disqualifying transfer of property.  
 (month/year) (month/year)
- ☐ C. No eligibility existed due to \_\_\_\_\_

**Section III (County worker complete only for property ineligibility.)**
 Overpayment is computed according to Title 22, California Code of Regulations, Sections 50786-50787. Use for any type of property, bank account, stocks, cash, etc. Provide bank or institution account number when available. Deduct regular income from the account to which it is regularly deposited. Use the **lowest** balance per month. For additional months of overpayment computations, use the MC 224 B-S (Supplemental).
**Use the Lowest Balance Per Month.**

1 Month/Year (One line per month)	2 Property (Describe)	3 Property (Describe)	4 Property (Describe)	5 Property (Describe)	6 Total Balance (Sum of 1-5)	7 Medi-Cal Property Limit	8 Excess Property Amount (6 minus 7)
	\$	\$	\$	\$	\$	\$	\$

**Section IV - Summary (County worker/DHS investigator complete where applicable.)**
 Potential overpayment: \$ \_\_\_\_\_ (Highest amount of excess property in any one month of the overpayment period)  
 Medi-Cal usage for period: \$ \_\_\_\_\_ (Computed by DHS)  
 Actual overpayment: \$ \_\_\_\_\_ (Lesser of Medi-Cal usage or excess property, computed by DHS)
**Section V - County Worker Comments (This space can be used to specify the circumstances of ineligibility.) (If additional space is needed, attach a separate sheet of paper.)****Section VI - County Worker Completing Form**

Name (print)	County		
Signature	Date	EW number	Telephone number ( )

MC 224 B (10/99)

White - DHS Investigations

Yellow - DHS Investigations

Pink - County

APPENDIX 16-2-C2  
**GENERAL INSTRUCTIONS FOR COMPLETING FORM MC 224 B**

If the potential overpayment for the entire period is less than \$100, do not complete this form. If a Medi-Cal Family Budget Unit (MFBU) has both a property-based overpayment and an income-based overpayment, use both the MC 224 B and the MC 224 A. Send the completed form with the completed MC 609, Medi-Cal Complaint Form, to the DHS Investigations Office.

**Section 1 (Completed by the County for All Ineligibility)**

<b>County ID</b>	Enter the MFBU/MBU case number.
<b>IEVS/Non-IEVS</b>	Check the IEVS box if potential overpayment is due to IEVS or the Non-IEVS box if due to other means.
<b>Case Status</b>	Active-effective date/closed effective date; indicate when the case was opened and/or closed.
<b>Recipients Included in the Potential Overpayment MFBU</b>	Enter name, date of birth, and Social Security number of each MFBU member in potential overpayment and the beginning and ending dates of their Medi-Cal eligibility.

**Section II - (County Complete for all Potential Ineligibility)**

Enter the month and year that the MFBU should have been ineligible (*check the box(es) which apply*).

- A. **Property was above the allowable property limit.** Applies if the recipient held property over the Medi-Cal property limit during the potential overpayment period.
- B. **Recipient should have been ineligible for nursing facility level of care from \_\_\_\_\_ through \_\_\_\_\_ due to a disqualifying transfer of property.** Applies only if the LTC recipient transfers or gives away property without adequate consideration during or after the 30-month "look-back" period and the transfer was considered to be a disqualifying transfer that resulted in a period of ineligibility, calculated on the MC 176 PI.
- C. **No eligibility existed due to:** Provide reason for total ineligibility.

**Section III (County Completes Only for Property Ineligibility)**

<b>Month/Year</b>	Enter the consecutive month(s) and year(s) the recipient held the property.
<b>Property</b>	Columns can be used for any type of property, bank account, cash, etc. Provide account numbers when available. Use the lowest balance per month.
<b>Total Balance</b>	Enter the sum of the lowest value of all nonexempt property (across) for each month of the overpayment period.
<b>Medi-Cal Property Limit</b>	Enter the appropriate Medi-Cal property limit based on family size.
<b>Excess Property Amount</b>	Enter the amount of property held in excess of the Medi-Cal property limit.

**Section IV - Summary (County Worker/DHS Investigator Complete Where Applicable)**

<b>Potential Overpayment</b>	Enter the highest amount of excess property in any one month of a consecutive period of overpayment (after listing on a separate work sheet the lowest value of each item and computing the excess property in each month).
<b>Medi-Cal Usage for Period</b>	DHS Investigations Office computes this amount.
<b>Actual Overpayment</b>	DHS Investigations Office computes this amount which will be the <b>lesser</b> of the: a. Actual cost of services paid by DHS during the potential overpayment period in which there was excess property throughout each month, <b>or</b> b. Highest amount of excess property in a single month during the potential overpayment period.

**Section V - County Worker Comments**

This section can be used to clarify the entries of any other section (e.g., were some family members ineligible, while other family members had eligibility through Sneed, pregnancy, or a percent program or other means?).

**Section VI - County Worker Completing the Form**

Print your name, county name, EW number, telephone number, and date. Sign the form.

MC 224 B (10/99)



APPENDIX 16-2-D1  
FORM MC 224 A-S

State of California - Health and Human Services Agency

Department of Health Services

**SUPPLEMENTAL  
MEDI-CAL POTENTIAL OVERPAYMENT REPORTING WORK SHEET  
INCOME OR OTHER HEALTH COVERAGE**

**Section I**

County ID

Use this space for additional MFBU members, if needed. Attach to the MC 224 A.

**RECIPIENTS INCLUDED IN POTENTIAL OVERPAYMENT (MFBU)**

Name	Date of Birth	Social Security Number	Medi-Cal Eligibility Date	
			From	To

**Section III - Income Overpayment Computation**

Use this space for additional months of overpayment computations, if needed.

1 Month/Year	2 Correct Net Income	3 Correct Maintenance Need	4 Correct Share-of-Cost (2-3)	5 Original Share-of-Cost Met	6 Potential Overpayment (4-5)	7 Amount Paid by Medi-Cal	8 Overpayment (Lower of 6 or 7)
	\$	\$	\$	\$	\$	\$	\$

**Section IV - County Worker Comments** (If additional space is needed, attach a separate sheet of paper.)

**Section V - County Worker Completing Form**

Name (print)	County		
Signature	Date	EW number	Telephone number ( )

White - DHS Investigations

Yellow - DHS Investigations

Pink - County

MC 224 A-S (10/99)

APPENDIX 16-2-D2  
FORM MC 224 B-S

State of California - Health and Human Services Agency

Department of Health Services

**SUPPLEMENTAL  
MEDI-CAL POTENTIAL OVERPAYMENT REPORTING WORK SHEET - PROPERTY  
TOTAL INELIGIBILITY OR INELIGIBILITY FOR A SPECIFIC LEVEL OF SERVICES**

**Section I (County complete for all ineligibility.)**

Use this space for additional MFBU members, if needed. Attach to the MC 224 B.

County ID

**RECIPIENTS INCLUDED IN POTENTIAL OVERPAYMENT (MFBU)**

Name	Date of Birth	Social Security Number	Medi-Cal Eligibility Date	
			From	To

**Section III (County worker complete only for property ineligibility.)**

Overpayment is computed according to Title 22, California Code of Regulations, Sections 50786-50787. Use for any type of property, bank account, stocks, cash, etc. Provide bank or institution account number when available. Deduct regular income from the account to which it is regularly deposited. Use the **lowest** balance per month.

**Use the Lowest Balance Per Month.**

1 Month/Year (One line per month)	2 Property (Describe)	3 Property (Describe)	4 Property (Describe)	5 Property (Describe)	6 Total Balance (Sum of 1-5)	7 Medi-Cal Property Limit	8 Excess Property Amount (6 minus 7)
	\$	\$	\$	\$	\$	\$	\$

**Section IV - Summary (County worker/DHS investigator complete where applicable.)**

Potential overpayment: \$ \_\_\_\_\_ (Highest amount of excess property in any one month of the overpayment period)

Medi-Cal usage for period: \$ \_\_\_\_\_ (Computed by DHS)

Actual overpayment: \$ \_\_\_\_\_ (Lesser of Medi-Cal usage or excess property, computed by DHS)

**Section V - County Worker Comments (This space can be used to specify the circumstances of ineligibility.) (If additional space is needed, attach a separate sheet of paper.)**

**Section VI - County Worker Completing Form**

Name (print)	County		
Signature	Date	EW number	Telephone number (      )

MC 224 B-S (10/99)

White - DHS Investigations

Yellow - DHS Investigations

Pink - County

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DEPARTMENT OF HEALTH SERVICES  
INVESTIGATIONS UNIT  
110 WEST A STREET, 7<sup>TH</sup> FLOOR  
SAN DIEGO, CA 92101  
(619) 645-2826

**COMPLAINT STATUS NOTICE**

Date: \_\_\_\_\_  
Case No: \_\_\_\_\_

San Diego County Department of Health and Human Services  
4990 Viewridge Avenue  
San Diego, CA 92123  
Attn: IEVS/OSU - Bonnie O'Connel

**Case Name:** \_\_\_\_\_  
**Medi-Cal Number:** \_\_\_\_\_  
**Social Security Number:** \_\_\_\_\_  
**Complaint Date:** \_\_\_\_\_  
**Eligibility Worker:** \_\_\_\_\_

The following action has been taken by the DHS Investigation Section regarding your complaint:

- ☐ **CASE CLOSED**
- ☐ Minimal/No Medi-Cal usage
  - ☐ Unable to establish violation
  - ☐ Other \_\_\_\_\_
- ☐ **ADMINISTRATIVE ACTION**
- ☐ Referred to Recovery Section for recovery of \$ \_\_\_\_\_
  - ☐ Other \_\_\_\_\_
- ☐ **Referred to Department of Justice, Bureau of Medi-Cal Fraud (Provider)**
- ☐ **CRIMINAL CASE INITIATED**
- Investigator Assigned: \_\_\_\_\_  
Phone: \_\_\_\_\_

For further information, please contact the Investigator indicated below at ( ) - . Thank you for your assistance in this matter.

\_\_\_\_\_  
Senior Investigator

Complaint.not